

Core Governing Policies¹

This is a list of the five core policy areas and policy sub-headings that ought to be addressed by the board of directors of voluntary or non-profit incorporated organizations. The organization's by-laws, which are fundamental to legal incorporation in most jurisdictions, are included in this list. Those policies in **bold** should be regarded as the ones to develop first.

I: Vision, Mission, Objectives and Values²

- a) **Vision**
- b) **Mission of the organization**
- c) **Objectives, priorities or key results areas³**
- d) Organizational values
- e) Evaluation of outcomes
- f) External accountability

II: By-Laws⁴

- a) Membership (including admission and expulsion criteria)
- b) General, special and regular meetings (including meeting quorum)
- c) Election and/or appointment and removal of directors
- d) Selection and role of officers
- e) Preparation, custody and inspection of the minutes and records of the association
- f) Audit of accounts
- g) Execution of contracts
- h) Manner of making, altering and rescinding by-laws⁵

III: Governance Processes (policies which apply to the board's own practices)

- a) **Role of the board**
- b) Decision-making (consensus, majority rule, etc)
- c) **Board members role and responsibilities (board job description)**
- d) **Officers roles and responsibilities (chair, secretary and treasurer job descriptions)**
- e) Board meeting practices
- f) Role of governing committees⁶
- g) Board recruitment
- h) Term of board members
- i) **Director's code of conduct**
- j) Board representation responsibilities
- k) Planning cycle
- l) **Conflict of interest**
- m) Board evaluation

IV: Board-Executive Director Relationship⁷

- a) **Delegation to Executive Director (ED) or CEO**
- b) Role of ED or CEO
- c) **Evaluating ED/CEO**

- d) Role and authority of operational committees
- e) ED Communication to Board

V: Core Operational Practices⁸

- a) Customer and client service practices
- b) Personnel or human resource management practices**
- c) Client, staff/volunteer safety and security⁹
- d) Financial management practices¹⁰**
- e) Protection of assets
- f) External communications
- g) Fundraising ethics¹¹
- h) Public advocacy and education (staff and volunteer involvement)

¹ This list is a variation of the “Policy Registry” developed by John Carver for boards of directors using the Policy Governance model. It can be used as a template for a policy manual by boards who follow this model closely as well as by boards adopting a modified policy governance approach. (See Boards That Make a Difference: A New Design for Leadership in Nonprofit and Public Organizations (Third Edition, Jossey Bass, 2006)

² The purpose and objectives of the organization are often described in very general terms in the Memorandum of Association required under the Societies Act of Nova Scotia. Such descriptions are suitable for incorporation but often are not adequate as statements which will help guide decision making.

³ Boards will want to consider adopting policy statements which identify the specific goals or outcomes of the organization which help focus its work in the short or medium term (2 to 5 years). An organization’s **Strategic Plan**, once adopted, can become a statement of policy outlining key objectives.

⁴ This list of By-Laws covers 9 of the 11 items required by the Societies Act of Nova Scotia. The two others are “Exercise of Borrowing Powers” and “Custody and Use of the Seal of the Society”. Items not required by the Act or items that would benefit from more detailed descriptions should be incorporated in the other policy categories.

⁵ Typically by-laws can only be changed at a general meeting of the membership. Other policies, especially those in Categories III to V, require a board decision and therefore can be changed at any time.

⁶ Governing committees are those that help with the work of the board. These may include committees dealing with board recruitment, strategic planning, policy development and Executive Director evaluation. Some organizations put advocacy and fundraising largely in the hands of the board.

⁷ These policies apply to organizations that employ professional staff, particularly an Executive Director or the equivalent. Policies on role and authority of committees dealing with operational issues, because they perform a staff function, may also fall into this category, even if board members are involved.

⁸ These policies are directed to the CEO or Executive Director and can be prescriptive (how things should be done) or limiting (how things should not be done) or a combination of both. Under a Policy Governance approach these policies would of the limiting kind only, that is, they would be “executive limitations” policies.

⁹ Alternatively, safety and security issues may be incorporated under items (a) and (b) in this category.

¹⁰ Typically financial control, spending, budgeting and financial reporting practices are covered under this heading

¹¹ A policy on fundraising ethics may also apply to board members to the extent they have a direct involvement.